

cans, and 9 Populists and the negative vote by 105 Democrats and 38 Republicans. Several conferences were held with a view to a further effort to secure repeal or to secure a reduction of silver purchases, but no plan was framed which was acceptable to the Eastern Republicans, whose votes were necessary to make a majority for repeal. President Cleveland caused it to be understood, soon after his inauguration, that he would not summon Congress in extra session before September unless a serious crisis confronted the country. The crisis was invoked in the latter days of June, 1893, by the closing of the Indian mints and the effect upon the American currency. A meeting of the cabinet was held on June 30th, at which the increasing number of suspensions by the banks and the paralysis of business were fully discussed, and it was decided to issue a proclamation summoning Congress in extra session at noon on the 7th day of August.

The summons came none too soon and did little to stay the progress of the panic. Banking institutions, national, State, and private, were daily suspending, depositors were withdrawing their cash from the banks, and industrial enterprises were coming to a halt. Twenty-five national banks suspended in June,—a number never before exceeded in an entire year,—seventy-eight suspended in July, and thirty-eight in August.¹ The collapse of private and State banks was even more alarming. An average of about seventy suspensions per year up to the close of 1892 swelled to 415 during the first eight months of 1893, representing liabilities of \$97,193,530. Banks all over the country began to refuse to pay checks except in certified or clearing-house checks, currency went to a premium, and many factories were obliged to shut down for lack of money to pay their employees. The refusal to cash checks in currency and the premium offered for it by New York brokers arrested deposits in the

¹ Eighty-four of the banks afterwards resumed business. The capital of sixty-seven national banks actually insolvent during the year ending October 31, 1893, was \$1 1,035,000.